

AMENDED IN ASSEMBLY APRIL 17, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 1718

Introduced by Committee on Agriculture (Parra (Chair), La Malfa (Vice Chair), Berryhill, Dymally, Fuller, Galgiani, Jones and Mendoza)

March 5, 2007

An act to amend Sections 16522.5, 77051, 77922, ~~and 77961~~ 77961, 78839, 78921, and 78923 of, to add Section 68082 to, and to add Article 9 (commencing with Section 68141) to Chapter 6 of Part 2 of Division 22 of the Food and Agricultural Code, relating to agriculture.

LEGISLATIVE COUNSEL'S DIGEST

AB 1718, as amended, Committee on Agriculture. Agricultural advisory and promotional agencies.

Existing law generally regulates the proof of ownership for various animals including cattle, and provides for evidence of ownership of those animals, including a dairy exemption number, as specified, for certain cattle. Existing law further provides that the Secretary of Food and Agriculture may revoke the dairy exemption number of any person who violates any provision of the Food and Agricultural Code.

This bill would *instead* provide that the secretary may revoke the dairy exemption number of any person who violates certain provisions of the Food and Agricultural Code, as specified.

Existing law establishes various advisory and promotional entities for agricultural products, including, among others, the California Kiwifruit Commission.

This bill would authorize the commission to collect and disseminate various marketing information in order to prevent unfair trade practices, as specified.

The bill would authorize the commission to recommend kiwifruit quality standards to the Secretary of Food and Agriculture, and provide for their adoption, as specified.

Existing law establishes the California Walnut Commission.

This bill would make technical changes to procedures governing election of members to the commission.

Existing law establishes the California Cut Flower Commission.

This bill would expand the definition of “shipping research, analysis, and development” engaged in by the commission to include the development of shipping opportunities, practices, and methods, as specified.

The bill would authorize the commission to work to develop and ~~offer~~ *arrange for shipping alternatives to the floral industry for producers* in order to improve *the quality of flowers* and access to markets, as specified.

Existing law establishes the Mendocino County Winegrape and Wine Commission, and defines certain terms used in those provisions.

This bill would define “vintner” and “processor,” for purposes of these provisions, to mean persons who are engaged in producing, or causing to be produced, winegrape products, as specified.

Existing law provides that the commission shall establish assessments on winegrape producers based upon the number of tons of winegrapes delivered to vintners during the preceding marketing season.

This bill would, instead, base assessments upon the number of tons of winegrapes marketed during the preceding marketing season.

Existing law also provides that the assessment shall not apply to winegrapes produced for a producer’s or vintner’s own home or ornamental use if he or she files an affidavit with the commission which is approved, as specified.

This bill would also provide that a producer growing winegrapes commercially on 3 acres or less be exempt from the base assessment of winegrapes if he or she files an affidavit with the commission which is approved, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 16522.5 of the Food and Agricultural
2 Code is amended to read:

3 16522.5. (a) A dairy exemption number shall be evidence of
4 ownership of cull beef cows and bulls of a recognized dairy breed
5 presented for sale at a registered or posted salesyard, or licensed
6 slaughter plant for immediate slaughter. Any person owning a
7 dairy farm as defined in Section 32505 may apply to the secretary
8 for an exemption number.

9 (b) Every five years, the secretary may charge a fee to cover
10 the cost of issuing and renewing a dairy exemption number. The
11 fee may not exceed fifty dollars (\$50). The secretary may refuse
12 to issue such number to persons who have violated any provision
13 of Division 9 (commencing with Section 16301), Division 10
14 (commencing with Section 20001), or Division 11 (commencing
15 with Section 23001) of the Food and Agricultural Code, or to
16 persons convicted of livestock theft.

17 (c) The dairy exemption number shall be written on the bill of
18 consignment, defined in Section 21703, when the cattle and
19 consignment slip are presented to an inspector at the registered or
20 posted salesyard, or licensed slaughter plant. The salesyard operator
21 shall display the letters "EX" in the description line of the salesyard
22 outbidding. An exemption number shall be deemed to meet the
23 identification information requirements of Section 21703. The
24 cows shall be consigned, owned, and sold in the name of the person
25 having the exemption number.

26 (d) The secretary may revoke the dairy exemption number of
27 any person who violates any provision of Division 9 (commencing
28 with Section 16301), Division 10 (commencing with Section
29 20001), or Division 11 (commencing with Section 23001) of the
30 Food and Agricultural Code, or who is convicted of livestock theft.

31 SEC. 2. Section 68082 is added to the Food and Agricultural
32 Code, to read:

33 68082. (a) In order to prevent unfair trade practices, which
34 are detrimental to California's kiwifruit industry, including, but
35 not limited to, deception and misinformation, the commission may
36 collect and disseminate to any and all interested persons, handler
37 f.o.b., market price information based on sales that have occurred.

1 (b) The identity of each handler reporting information and the
2 information reported under this section shall be kept confidential
3 and not made public under any circumstances. Information that
4 gives industry totals, averages, and other similar data may be
5 disclosed by the commission.

6 (c) The procedure for the collection and dissemination of the
7 information pursuant to this section shall be approved by the
8 secretary.

9 SEC. 3. Article 9 (commencing with Section 68141) is added
10 to Chapter 6 of Part 2 of Division 22 of the Food and Agricultural
11 Code, to read:

12
13 Article 9. Quality Standards
14

15 68141. The commission may recommend to the secretary the
16 adoption of kiwifruit quality standards or engage in any other
17 activity authorized pursuant to the California Marketing Act of
18 1937 (Chapter 1 (commencing with Section 58601) of Part 2 of
19 Division 21). The adoption of standards or activities shall be in
20 accordance with the procedures specified in that act unless
21 otherwise specified in this article.

22 68142. Any standards or activities recommended by the
23 commission shall not become operative until approved in the
24 manner specified in Section 68092.

25 68143. Any standards or activities adopted pursuant to this
26 article shall be implemented by the secretary at the beginning of
27 the marketing season next succeeding the date on which they were
28 approved by the secretary.

29 68144. The commission shall serve as the advisory body to the
30 secretary on all matters pertaining to this article.

31 SEC. 4. Section 77051 of the Food and Agricultural Code is
32 amended to read:

33 77051. (a) There is in state government the California Walnut
34 Commission. The commission shall be composed of eight walnut
35 producers who are not handlers, four walnut handlers, and one
36 public member.

37 (b) Eight producer members, four from each district, shall be
38 elected by producers. In accordance with procedures adopted by
39 the commission, no more than two producers from each district
40 who ship the largest percentage of their walnuts in the preceding

1 marketing year to the same handler may be elected to the
2 commission as members. Producers who ship to two or more
3 handlers in equal percentages shall declare which handler they are
4 affiliated with, for purposes of this section. No producer member
5 shall be connected in a proprietary capacity with a handler.

6 (c) In accordance with procedures adopted by the commission,
7 four handler members shall be elected on a weighted basis by all
8 handlers to serve on the commission. No handler member shall be
9 connected in a proprietary capacity or in any other manner with
10 any other handler member serving on the commission.

11 (d) The public member shall be appointed to the commission
12 by the secretary from nominees recommended by the commission.

13 (e) The secretary and other appropriate individuals as determined
14 by the commission shall be ex officio members of the commission.

15 SEC. 5. Section 77922 of the Food and Agricultural Code is
16 amended to read:

17 77922. “Shipping research, analysis, and development” means
18 the investigation, development, analysis, or use of information
19 relating to the shipping of flower products and the development
20 of shipping opportunities, practices, and methods in this state,
21 nationally, and internationally.

22 SEC. 6. Section 77961 of the Food and Agricultural Code is
23 amended to read:

24 77961. (a) The commission may advertise or otherwise
25 promote the sale of flowers.

26 (b) The commission may jointly advertise or otherwise promote
27 the sale of flowers with any other corporation or organization
28 advertising or otherwise promoting the sale of any other product
29 or commodity.

30 (c) The commission may ~~work in cooperation, and cooperate~~
31 ~~with others, including other floral industry organizations,~~ to
32 develop and ~~offer arrange for~~ shipping alternatives to the floral
33 ~~industry for producers~~ in order to improve the quality of flowers
34 and access to markets.

35 SEC. 7. Section 78839 of the Food and Agricultural Code is
36 amended to read:

37 78839. “Vintner” and “processor” are synonymous and, except
38 as otherwise specifically provided in this chapter, mean any person
39 engaged in Mendocino County in producing *or causing to be*
40 *produced* must, grape juice, grape concentrate, wine, or other

1 winegrape products, including high proof and brandy, and includes
2 a “winegrower” in Mendocino County as that term is defined in
3 Section 23013 of the Business and Professions Code, who produces
4 wine from winegrapes. However, a producer does not become a
5 vintner solely by the act of field crushing winegrapes before
6 delivering the winegrapes as must to another person.

7 *SEC. 8. Section 78921 of the Food and Agricultural Code is*
8 *amended to read:*

9 78921. Prior to the beginning of each marketing season, or as
10 soon as possible thereafter, the commission shall establish
11 assessment rates for the marketing season, as follows:

12 (a) An annual assessment on producers of not less than one
13 hundred dollars (\$100) and not more than one thousand dollars
14 (\$1,000), as determined by the commission, based on the number
15 of tons of winegrapes ~~delivered to vintners~~ *marketed* during the
16 preceding marketing season.

17 ~~In~~

18 (b) *In* addition, producers shall pay an assessment not less than
19 one dollar (\$1) and not greater than twelve dollars (\$12) per ton
20 of winegrapes ~~delivered to vintners~~ *marketed* by producers. In the
21 discretion of the commission, the producer assessment may be
22 established as a percent of the gross dollar value received by
23 producers ~~from vintners~~ for winegrapes rather than on a per ton
24 basis. The assessment shall be established on a sliding scale that
25 decreases the assessment by two dollars (\$2) per ton, or the
26 percentage equivalent if the assessment is a percent of gross dollar
27 value, for every 500 tons of winegrapes ~~delivered to vintners~~
28 *marketed* by producers in excess of 1000 tons.

29 ~~(b)~~

30 (c) An annual assessment on vintners of not less than three
31 hundred fifty dollars (\$350) and not more than seven thousand
32 five hundred dollars (\$7,500), as determined by the commission,
33 based on the number of tons of winegrapes processed and marketed
34 by vintners during the preceding marketing season.

35 ~~In~~

36 (d) *In* addition, vintners shall pay an assessment not less than
37 one dollar (\$1) and not greater than twelve dollars (\$12) per ton
38 of winegrapes processed by vintners for which an assessment has
39 not already been paid by a producer. The assessment shall be
40 established on a sliding scale that decreases the assessment by two

1 dollars (\$2) per ton for every 500 tons of winegrapes processed
2 by vintners in excess of 1000 tons.

3 (e)

4 (e) An assessment greater than the amount provided for in this
5 section may not be charged unless and until a greater amount is
6 approved by a majority of the commission and by eligible
7 producers and vintners pursuant to the referendum procedures
8 specified in Section 78903.

9 *SEC. 9. Section 78923 of the Food and Agricultural Code is*
10 *amended to read:*

11 78923. This chapter shall not apply to winegrapes produced
12 for a producer's home or ornamental use, or processed for a
13 vintner's home use—~~if. A producer growing winegrapes~~
14 ~~commercially on three acres or less shall be exempted from the~~
15 ~~base assessment in subdivision (a) of Section 78921. Any producer~~
16 ~~or vintner requesting an exemption from the payment of~~
17 ~~assessments shall provide an affidavit approved by the commission~~
18 ~~is filed by the producer or vintner~~ containing information required
19 by the commission. The commission shall review the affidavit,
20 conduct any additional investigation it deems appropriate, and
21 approve or deny the exemption. If granted, the exemption shall be
22 valid for one marketing season and a new affidavit shall be be filed
23 and approved prior to each marketing season in order to retain an
24 exemption from this chapter.